(Also individually addressedto: Pritchard (Pepples), Peterson (Ave, Stevens), Cullman (Ahrensfeld, Holtzman), Juchatz (Christopher, Di Marco), Bantle (Manning, Chapin).

June 2, 1987

Mr. Paul A. Randour Senior Vice President & General Counsel American Brands, Inc. 1700 East Putnam Avenue P.O. Box 819 Old Greenwich, CT 06870-0819

Dear Mr. Randour:

The Council's General Fund cash balance at the end of June will require replenishment to meet anticipated requirements. It is therefore necessary to request payment of the first installment of dues for 1987.

In accordance with the resolution of the Board of Directors of The Council, approved on December 12, 1986, will you please apply as a basis of payment 2.72 cents per 10,000 tax-paid cigarettes estimated to have been produced by you in 1986, and remit a check for that amount as payment of your first installment of dues for the year 1987.

The check should be made out to THE COUNCIL FOR TOBACCO RESEARCH-U.S.A., INC. and sent to the above address.

Cordially,

R. F. Gertenbach

RFG/lp

cc: Janet C. Brown, Esq. *
Mr. Thomas C. Hays